

## MSHDA/MBDA FINANCING AGREEMENTS

### 2002 Agreement

**Amount:** \$50 million

**Interest Rate:** 6%

**Payments:** No Principal payments for 20 years - \$300,000 Interest Payment Annually

**Administration Position:** Building a self-sustaining organization not a near-term priority.

### 2003 Agreement (Replacing 2002 Agreement)

**Amount:** \$50 million "Line of Credit" (\$47 million returned to MSHDA)

**Interest Rate:** 6%

**Payments:** No Principal payments for 19 years - \$100,000 to \$300,000 varying Interest Payment Annually

**Administration Position:** MBDA will repay loan and work to become self-sustaining.

### 2005 Agreement (Replacing 2003 Agreement)

**Total Amount:** \$35.5 million

**Interest Rate:** 0% (4% for Rural Broadband Initiative loans)

**Funds for Existing Loans Prior to 2005 Agreement:** Approx. \$18 million

**Funds Available for MBDA Lending:** \$17 million (dollars not committed within 17 months returned to MSHDA)

**Amount Returned to MSHDA in FY06:** \$2.1 million immediately plus \$200,000 per month in loan payments from MBDA borrowers

**Funds Available for MBDA Operations:** \$995,000 (dollars not spent within 17 months returned to MSHDA)

**Funds for Expenses Incurred Prior to 2005 Agreement:** \$250,000

**Payments:** All monthly loan payments from MBDA borrowers

**Administration Position:** Provides near-term resources for Housing Programs.